

To the Members of the California State Assembly:

I am returning Assembly Bill 1288 without my signature.

This bill would prohibit the state, or a city, county, city and county, or special district from requiring an employer other than one of those government entities to use an electronic employment verification system as a condition of receiving a government contract, as a condition of applying for or maintaining a business license, or as a penalty for violating licensing or other similar laws. The bill would exclude from its provisions instances where electronic employment verification is required by federal law or as a condition of receiving federal funds.

The bill would create administrative burdens for employers receiving government funds in that a June 6, 2008, federal Executive Order 12989, as amended, requires all federal contractors, as a condition of any future federal contract, to use E-Verify to verify the employment eligibility of their workers. Employers receiving government funds would be required to sort out and identify complex funding streams and comply with both the Executive Order and provisions of this and other related laws. The bill also raises the potential for increased claims and litigation by placing new requirements in the Labor Code without also defining how the requirements will be enforced. Moreover, the bill implicates constitutional questions regarding the State's authority to impose this prohibition against charter counties and cities for matters that may constitute municipal affairs.

For these reasons, I am unable to sign this bill.

Sincerely,

Arnold Schwarzenegger